

LET'S TALK ABOUT ETFs

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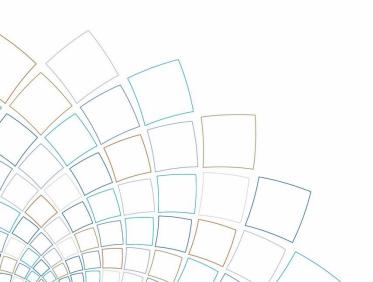


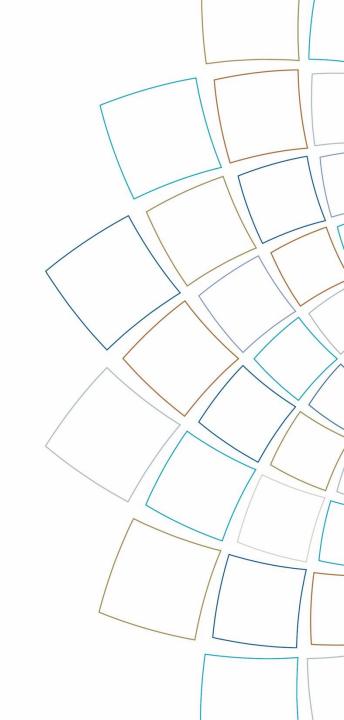
LET'S TALK ABOUT ETFS

Agenda

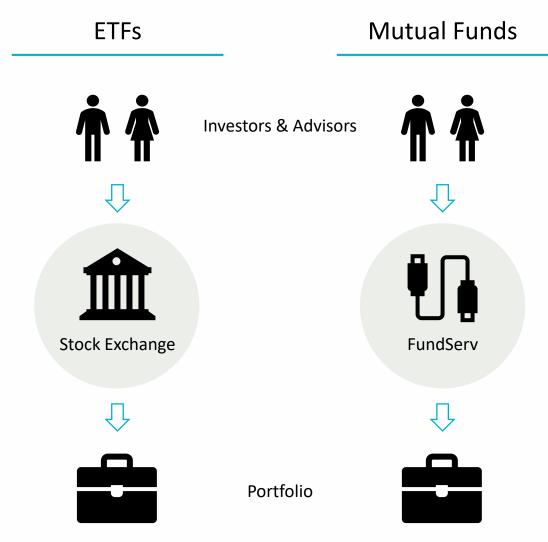
- What is an ETF?
- Different types of ETFs
- Adding ETFs to a portfolio
- CI Mosaic ETF Portfolios

WHAT IS AN ETF?





- Like mutual funds, ETFs pool together investors assets to invest in stocks, bonds, money market instruments and other assets
- Traded on an exchange; bought and sold throughout the day
- Like mutual funds, ETF values (NAVs) are based on the value of underlying assets/holdings



More in common than you may think

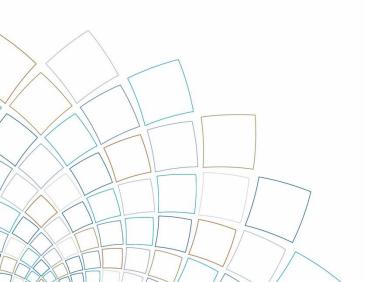
• Despite differences from a structural and administrative standpoint, they are very similar

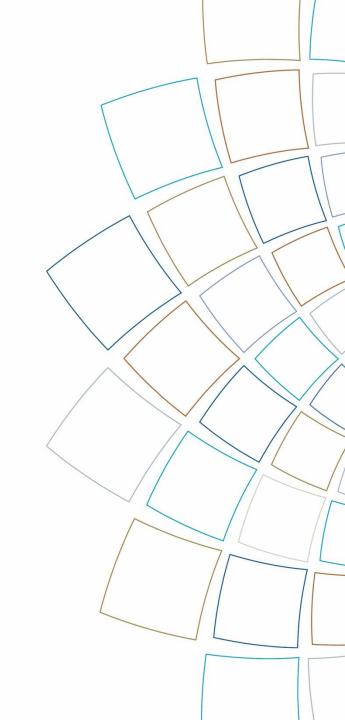
	Mutual Funds	ETFs
Easy access to professional investment management	✓	✓
Broad variety of investment mandates and asset classes	✓	✓
Used by investors small and large	✓	✓
Can be cornerstones or complementary building blocks for entire portfolios	✓	✓

The merits of investing in ETFs

- ETFs are an efficient, low cost investment vehicle
- ETFs provide trading flexibility intra-day trading and real time pricing
- ETFs can be more liquid than individual securities
- ETFs can offer tax-efficiency
- ETFs have evolved considerable depth and breadth of methodologies to access

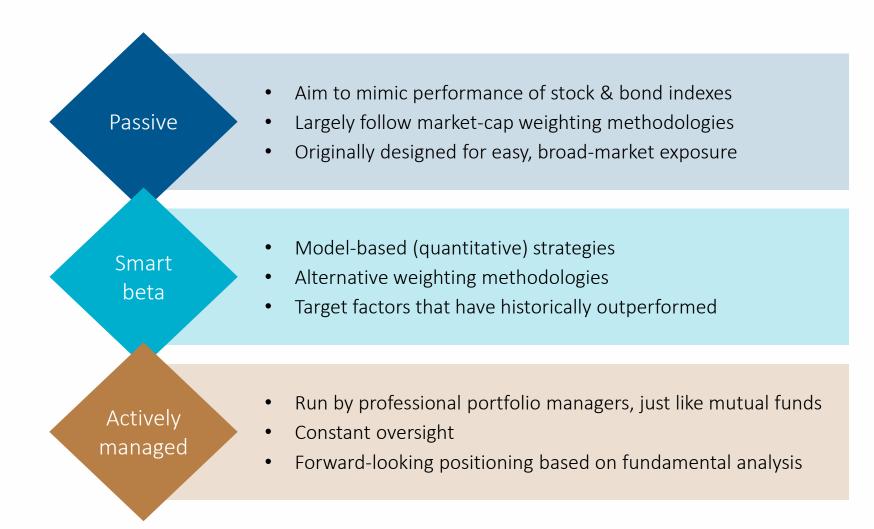
TYPES OF ETFs





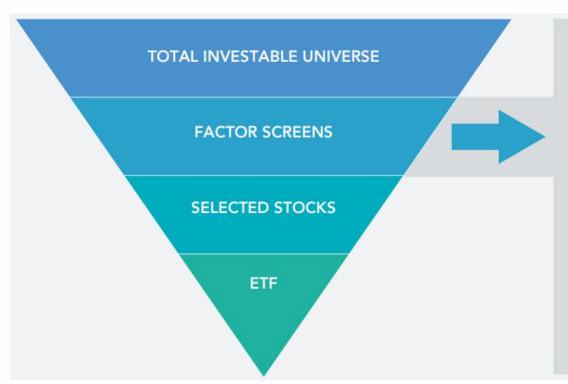
Evolution of ETFs

 Demand has led to innovation



Smart beta – stock selection in action

How First Asset builds a "Value" portfolio



20% Price to Earnings Ratio (Trailing)

Calculated by taking the current stock price and dividing it by the trailing earnings per share for the past 12 months. Low values are best.

20% Price to Latest Cash Flow

Price to Cash Flow based on trailing Cash Flow is the ratio of a company's price to its trailing 4 quarters of cash flow from operations.

20% Current Price/Book Ratio

Price to Book is the ratio of a company's latest price per share to the per share value of its common share equity.

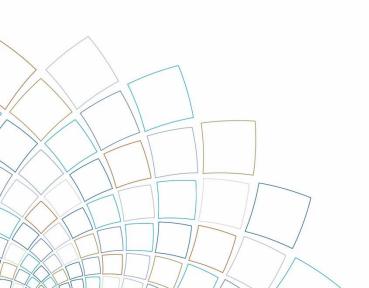
20% Price to Latest 4 Quarter Sales

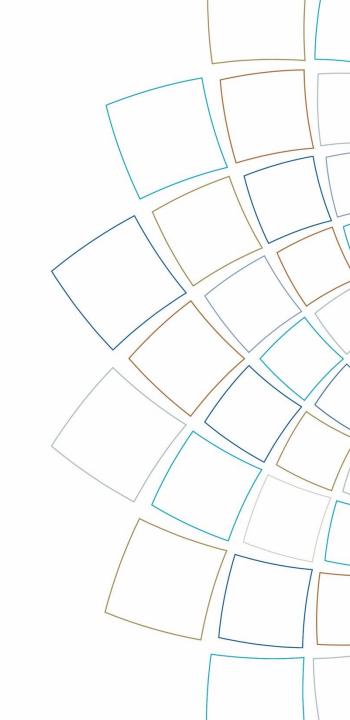
Price to latest 4 quarters of sales.

20% EPS Estimate Revision

3-month EPS estimate revision measures the percentage change over the past 3 months in the median broker earnings estimate for a company's current fiscal year.

ADDING ETFS TO A PORTFOLIO





ETFs are building blocks for portfolio efficiency

Spectrum of Methodologies

Actively Managed

Smart Beta

Covered Call

Passive

Portfolio Positioning Opportunities

Attractive Yields

Negative Correlation to Risk Assets

Negative Correlation to Interest Rates

A Complement to Large Caps

Different types of ETFs complement one another

Combining passive, smart beta and active ETF strategies can enhance diversification benefits, and may help offset any potential shortcomings of individual strategies.

PASSIVE

BENEFIT

Low-cost, liquid and transparent exposure to broad markets

SHORTCOMING

Inability to outperform

SMART BETA

BENEFIT

Focus on criteria that have historically led to enhanced risk-adjusted returns relative to market-cap weighted indexes

SHORTCOMING

No human oversight, backward-looking

ACTIVELY MANAGED

BENEFIT

Specialized managers, seeking to tactically maneuver to capture tomorrow's opportunities and minimize risks

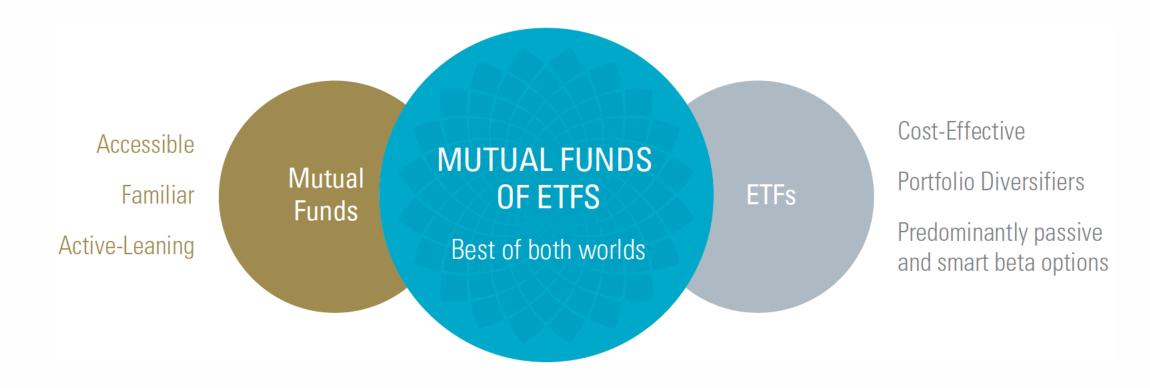
SHORTCOMING

Higher cost, coverage constraints

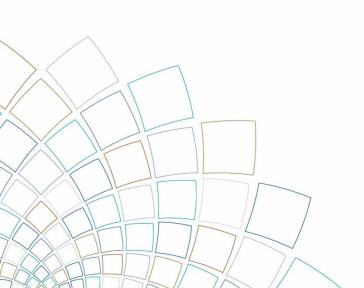
OFFSETBY

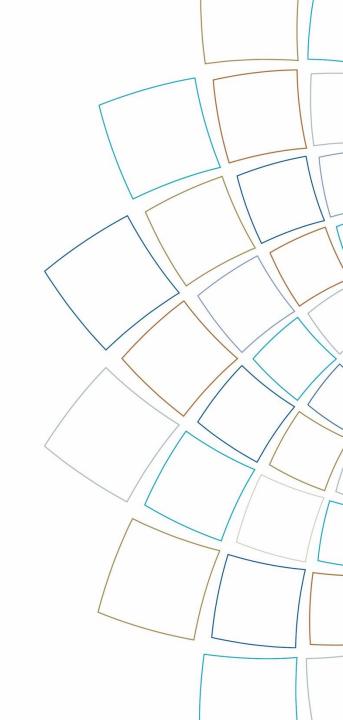
Combining the best of both worlds

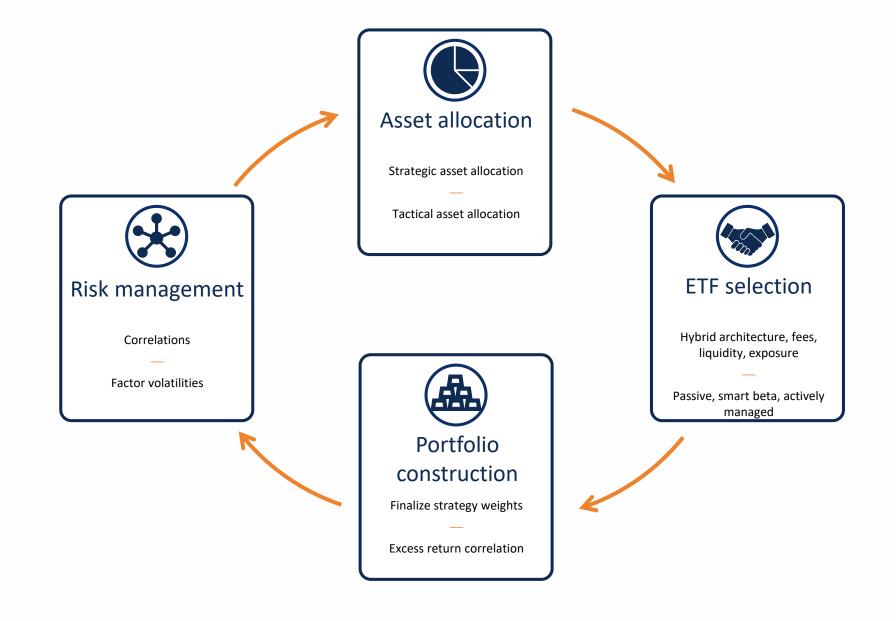
Combining passive, smart beta and active ETF strategies can enhance diversification benefits, and help offset any potential shortcomings of individual strategies.



CI MOSAIC ETF PORTFOLIOS™







Strategic and tactical asset allocation

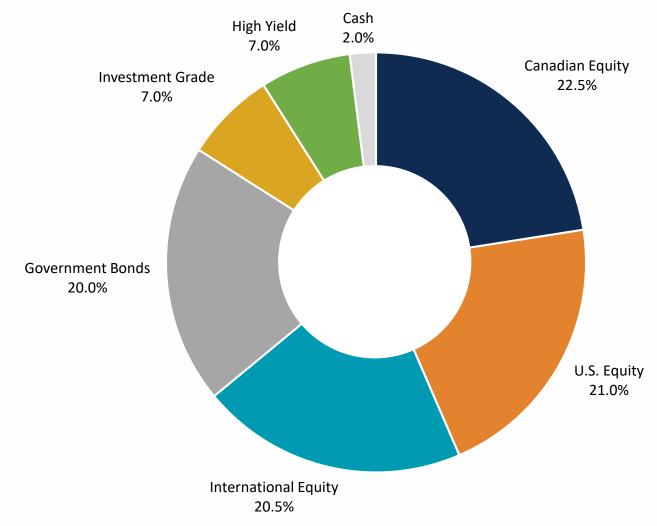
CI Mosaic ETF Portfolios are constructed using CI Multi-Asset Management's fundamental strategic asset allocation strategy, which is driven by

- Valuations
- Fundamentals
- Correlation over three to five-year time horizon

CI Mosaic ETF Portfolios also employ a tactical asset allocation strategy aimed at taking advantage of shorter-term opportunities that will see the portfolios diversified by:

- Regions
- Factors
- Styles
- Sectors

CI Mosaic Balanced ETF Portfolio



Source: CI Multi-Asset Management. As at March 12, 2019.

Tactical opportunities

Stocks
Rates
Credit
Commodities
Liquid Alternatives
Cash

Canada
U.S.

Europe excluding U.K.

U.K.

Japan

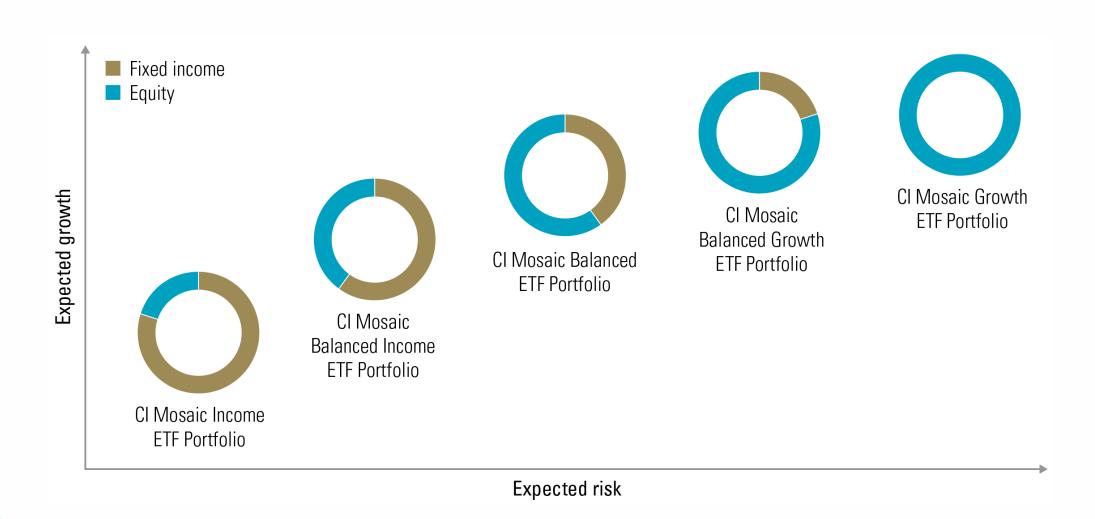
Pacific excluding Japan

Emerging Markets

Factor Momentum Dividend yield Quality Low volatility Growth Value

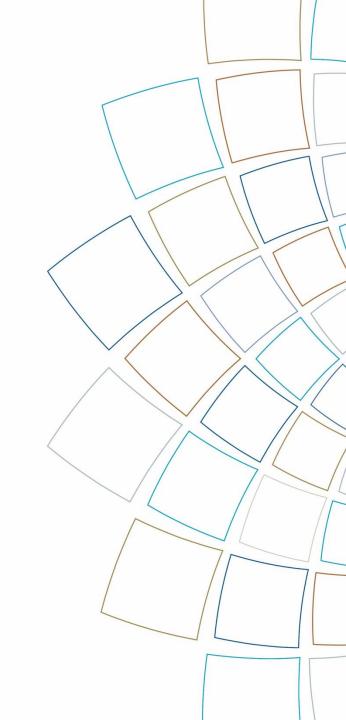
Sector Financials Information technology Health care **Industrials** Consumer discretionary Consumer staples Communication services Energy Materials **Utilities** Real estate

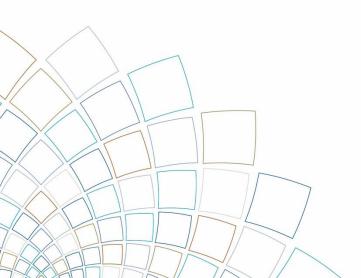
Five distinct portfolios catering to your risk tolerance



THANK YOU

QUESTIONS?





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Please read the prospectus before investing. Important information about an exchange-traded fund (ETF) is contained in its prospectus. ETFs are not guaranteed; their values change frequently and past performance may not be repeated. The indicated rates of return are the historical annual compound total returns including changes in unit value and reinvestment of all distributions and does not take into account sales, redemption, distribution or operational charges or income taxes payable by any security holder that would have reduced returns. Performance is calculated net of all fees.

You will usually pay brokerage fees to your dealer if you purchase or sell units of an ETF on the TSX. If the units are purchased or sold on the TSX, investors may pay more than the current net asset value when buying units of the ETF and may receive less than the current net asset value when selling them.

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